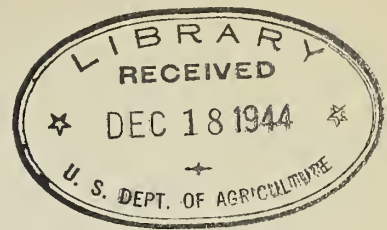


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UNITED STATES DEPARTMENT OF AGRICULTURE
Surplus Marketing Administration

No. 4

SMA DEFENSE LETTER

Wash., D.C., Jan. 2, 1942

EXPANSION OF FACILITIES FOR CONCENTRATION OF CITRUS JUICES will be aided by SMA with L-L financial assistance program similar to that now in effect for dairy product plants. Look for announcement in near future. Up for immediate consideration is aid for expansion of 2 plants in Florida. Vitamin content of citrus juice plays important part in diet of British, particularly children. Deliveries of citrus juice concentrate to British through Dec 1 totalled 2,306,075 gallons. Juice is reduced to 1/10th original volume thru concentration and requires only addition of water for use. Byproduct of concentration is pectin. British already have taken 170,000 lbs of pectin under L-L. Besides its most common use, making jellies, British also using pectin in wound dressings and to extend supply of blood plasma in transfusions. Pectin also is derived from pomace of which Britain has taken 831,043 lbs.

MILLIONTH TON OF L-L FOOD ARRIVED IN ENGLAND about middle of December, according to letter to Secty Wickard from R. H. Brand, head of the British Food Mission. The letter expressed thanks on this "splendid achievement within nine months from the passing of the Lend-Lease Act." In announcing receipt of the letter Secty Wickard stressed it was "tribute to determination of American farmers to produce abundantly" to meet needs of our own people and those with whom we are joined in struggle for human freedom.

HELP FOR FARMERS in getting adjustments of excessive or unfair freight rates is available thru a not widely known branch of SMA. Transportation Division, SMA, in recent report cited savings of many thousands of dollars as result of cases in which, acting for the Secretary of Agriculture, it represented farmers in 1941. Under law Transportation Division has authority to cooperate with, assist and intercede on behalf of farmers and their organizations in ICC cases involving rates, charges, tariffs and practices relating to shipping of farm products.

OF NOTE: Average prices of tomatoes for processing during 1941 were \$3.41 per ton higher than in 1940. AMS report issued Dec 18 shows that average price of tomatoes for processing in all States in 1941 was \$15.21 a ton compared with \$11.80 per ton in 1941.

INSTRUCTIONS COVERING DB ACTIVITIES in connection with the 1942 canning vegetable program have been sent out. You should receive yours through DB chairmen. Letter from Secty assigns to DB's certain responsibilities and duties in connection with program for canning tomatoes and peas.

(OVER)

GENERAL AVERAGE OF FARM PRICES HIT 99% OF PARITY on December 15. Both prices received and prices paid by farmers advanced in month ended that date. Average of prices received rose to 143% of 1909-14 average, highest point since January 1930 and 42 points over Dec 15, 1940. Grains and meat animals led rise; cotton advanced moderately, fruit and dairy products unchanged, seasonal egg decline less than usual. Prices farmers paid rose to 144% of 1910-14 average, 16 points above Dec 15, 1940. Dec 15 prices expressed as percentages of parity were: corn, 72%; cotton, 91%; butterfat, 87%; eggs, 89%; hogs, 98%, and beef cattle, 125%.

OF NOTE: Recent Gallup poll says 12,000,000 low-income families believe that lack of money for food impairs their health. Results of poll: Throughout Nation as whole, 4 out of 10 families, about 12,000,000 families, say the health of their families is suffering because of insufficient money for proper food. Situation shows virtually no improvement over year ago despite increase in national income. Situation in lower income levels of population, families earning less than \$25 to \$30 per week, is particularly acute. Of all families below that level polled, 57 percent are "conscious of diet deficiencies impairing their health."

DAIRY PLANT EXPANSION LOANS, using L-L funds, under consideration for more plants. Such loans already approved for three Wisconsin co-ops (See Defense Letter No. 3). In the group of plants now being considered for loans are producers of dry skim milk.

CONTINUATION OF PURCHASES OF EVAPORATED MILK for domestic distribution, primarily School Lunches, has been authorized for remainder of fiscal year to June 30, 1942.

SMA REPRESENTATIVES ON DEFENSE BOARDS: Queries or needs for spot information may be sent directly to Administrator Hendrickson, SMA, Washington, D.C.